

ISSUES IN PERSPECTIVE

Dr. James P. Eckman, President Emeritus
Grace University, Omaha, Nebraska
January 21, 2017

Globalism vs. Nationalism: The Ideological Struggle of the 21st Century

For much of the 20th century, ideological discussions and debates have centered on liberal versus conservative, left versus right. No longer. The ideological divide of the 21st century is emerging as globalism versus nationalism. Since the end of World War II, global integration and technological progress have fueled a new world order centered on free trade, open borders and interdependent economies. Goods, capital and people should be able to move freely across borders, which is actually the meaning of globalization. But Greg Ip of the *Wall Street Journal* argues that globalism is a “mindset that globalization is natural and good, that global governance should expand as national sovereignty contracts.” The new nationalist surge has startled and shocked the advocates of globalism. This new nationalism is the vital center of Brexit and the election of Donald Trump.

In a recent essay, Greg Ip offers several salient observations about this new ideological struggle between globalism and nationalism.

1. The new nationalists seek to reassert control over their own countries. Their targets are global structures such as the European Union, the World Trade Organization (WTO), NATO, the United Nations and the North American Free Trade Agreement. However, the new nationalists posit no credible plans for replacing the institutions of globalization they seek to tear down.
2. The globalists have underestimated the collateral damage globalization has inflicted upon workers. They “placed too much weight on the strategic advantages of trade and dismissed too readily the value that many ordinary citizens still attach to national borders and cultural cohesion.”
3. Historically, Great Britain presided over the first era of globalization, from the mid-1800s through 1914. They advocated free trade and the gold standard. That era gave way to an extreme era of nationalism, which produced World War II. But after World War II, “the logic of globalism shifted beyond trade to grand strategy. By ceding modest amounts of sovereignty to international institutions, a country could make the world, and itself, far stronger by pursuing its own narrowly defined interests.” For these globalists, economic and geopolitical self-interest were inseparable. Hence, the 1957 Treaty of Rome led to the formation of the European Union of 28 nations. The assumption? Economic and political integration would make war unthinkable. For the next five decades, trade, industrialization and demographics produced a cycle of rising prosperity. By the 2000s, globalism appeared triumphant.

4. But, when Bill Clinton advocated for China joining the WTO, he predicted that this would “likely . . . have a profound impact on human rights and political liberty.” It did not! China met its WTO obligations but discriminated against foreign investors and products while maintaining an artificially cheap currency. “A wave of Chinese imports wiped out 2 million American jobs, with no equivalent boom in US jobs linked to exports to China.” Furthermore, China became even more repressive at home and antagonistic abroad. China was undermining the virtues of globalism.
5. As China and Germany amassed huge trade surpluses, cross border financing made financial regulation of global financial markets nearly impossible. In 2008, these global financial markets collapsed and produced the worst global financial crisis since the 1930s. This crisis rattled the globalists but did not curtail their passion for openness and trade. Hence, President Obama’s 12-nation Trans-Pacific Partnership (TPP) aimed directly at challenging China’s dominance of Asia. However, with the election of Donald Trump the TPP is dead.
6. Ip correctly argues that the intense backlash against immigration (and globalism) is cultural, not fundamentally economic. The voters for Brexit and for Trump “were bothered less by competition from immigrants than by their perceived effect on the country’s linguistic, religious and cultural norms.” This is perhaps the most troubling aspect of this new nationalism—its penchant for xenophobia and for ethnic and religious exclusion. There are no good examples of this inclination from history. It can become ugly and lead to violence against minorities within a country. No sincere Christian should embrace radical xenophobia or exclusion. Indeed, the first era of globalization, which ended in 1914 with the outbreak of World War I, gave way to a long period of declining inequality and ruthless exclusion (witness Germany, Italy and Japan in the 1930s), in which “harmful countervailing forces played a bigger role than beneficial ones. History might repeat itself.”

In conclusion, those who have advocated for the ideology of globalism and worldwide economic integration seriously underestimated the risks and potential dangers that would result from large parts of society feeling as if they were left behind due to more open trade with open borders as the world’s economies integrated together. Those sentiments and real feelings explain why the Brexit vote was successful. Such developments also explain the emergence of Trump. Fundamentally, the ideology of nationalism is (temporarily?) providing a meaningful and energized alternative to the ideology of globalism. Will the alternative of nationalism survive? Will it thrive and permeate the other nations of Europe? There are four major elections being held in Europe during 2017. Each one of these elections could potentially result in victories by the nationalists in France, Italy, and the Netherlands, and even in Germany. If the nationalist forces all win in Europe, it could mean the death of the European Union. What exactly Donald Trump will do as he rides the wave of this intense new nationalism is anybody’s guess. But one thing is for certain right now: Globalism in the United States (and the world?) as a governing ideology is on hold. Is it dead? Only time will tell.

See Greg Ip in the *Wall Street Journal* (7-8 January 2017) and *The Economist* (2 July 2016), p. 67.